

**REMARKS**

In the Office Action, the Examiner rejected claims 201, 203-207, 209, 212, 214-217, 219-223, 225, 228, 230-234 and 268 under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.*, U.S. Patent No. 6,401,079 B1, ("*Kahn et al.*") in view of *Embrey*, U.S. Patent No. 6,311,170 B1, ("*Embrey*"). She also rejected claims 208, 210, 211, 213, 224, 226, 227 and 229 under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.* in view of *Embrey* and in further view of Official Notice. She further rejected claim 267 under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.* in view of *Embrey* and in further view of *Fulton et al.*, U.S. Patent No. 6,182,052 B1, ("*Fulton et al.*"). Finally, she rejected claims 201, 203-217, 219-234, 267 and 268 on the ground of nonstatutory obvious-type double patenting as being unpatentable over claims 1-48 of U.S. Patent No. 5,946,669 and over claims 1-70 of U.S. Patent No. 6,119,107.

Claims 201, 203-217, 219-234, 267 and 268 are currently pending. By this Amendment, Applicants have amended claims 201, 217, 220, 233, and 234 to clarify aspects of the invention. No new matter has been added by this Amendment.

**I. Claim Rejection Under 35 U.S.C. § 103(a)**

To establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a), the Examiner must make a determination whether the claimed invention "as a whole" would have been obvious to a person of ordinary skill in the art at the time of the invention based on the factual findings under Graham. M.P.E.P. § 2142 (III), 8th Ed., Rev. 6 (Sept. 2007). However, "[t]he gap between the prior art and the claimed invention may not be 'so great as to render the [claim] nonobvious to one reasonably skilled in the art.'" Id. (internal citations omitted). Moreover, it remains necessary for the Examiner to

clearly articulate the reason(s) why the claimed invention would have been obvious. Id. Applicants respectfully submit that there are significant gaps between the teachings of the references cited by the Examiner, and therefore, the Examiner fails to establish a *prima facie* case of obviousness with respect to claims 201, 203-217, 219-234, 267 and 268. Accordingly, Applicants respectfully request that the § 103(a) rejection of these claims be withdrawn.

**1. *Kahn et al.* in view of *Embrey***

Claims 201, 203-207, 209, 212, 214-217, 219-223, 225, 228, 230-234 and 268 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.* in view of *Embrey*. Amended independent claim 201 is directed to “a method for processing payments over a network for a plurality of intermediaries,” comprising, *inter alia*, “receiving verification information from the intermediary, the intermediary being separate from the plurality of employers and the verification information including the intermediary-requested data,” and “verifying the employee information using the verification information received from the intermediary.” The Examiner admits that *Kahn et al.* fails to teach “verifying the employee information using verification information received from [the] intermediary.” (Office Action, p. 4, ll. 7-8.)

The Examiner cites *Embrey* for its alleged disclosure of “verifying the employee information using verification information received from [the] intermediary.” However, contrary to the Examiner’s allegation, *Embrey* teaches a “trusted intermediary financial institution” that verifies whether an amount requested for payment to a payee matches an amount requested by a payor.” (*Embrey*, col. 3 ll. 47-55.) The “trusted intermediary financial institution” of *Embrey* functions to “compare a negotiable instrument with the

payment verification information in order to verify the payment amount.” (*Embrey*, col. 9 ll. 17-20.) Therefore, *Embrey* also does not disclose “verifying the employee information using the verification information received from the intermediary” as alleged by the Examiner.

In addition, the Examiner alleges that *Embrey* discloses a “trusted financial institution [that] uses the verification information received from the payee to verify the payor information.” (Office Action, p. 4, ll. 11-13) (citing *Embrey*, col. 3 ll. 49-55 and Fig. 4.) However, as explained above, the verification information as discussed in *Embrey* is in reference to a payment amount. Also, even assuming the Examiner’s allegation was true, *Embrey* still fails to disclose at least “receiving verification information from the intermediary, the intermediary being separate from the plurality of employers” as recited in amended independent claim 201 and substantially recited in amended independent claims 217, 233, and 234. Because there are significant gaps between the teachings of these references and the claims, *Kahn et al* and *Embrey*, taken alone or in combination, do not render obvious amended independent claims 201, 217, 233 and 234.

Dependent claims 203-207, 209, 212, 214-216, 219-223, 225, 228, 230-232 and 268 necessarily include the recitations of and, therefore, Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a) with respect to these claims. Applicants therefore request that the Examiner withdraw the 35 U.S.C. § 103(a) rejection with respect to claims 201, 203-207, 209, 212, 214-217, 219-223, 225, 228, 230-234 and 268.

**2. *Kahn et al.* in view of *Embrey* and in further view of Office Notice**

Claims 208, 210, 211, 213, 224, 226, 227 and 229 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.* in view of *Embrey* and in further view of Official Notice. As stated above, there are significant gaps between the teachings of *Kahn et al.* and *Embrey*. Because of the significant gaps, *Kahn et al.* and *Embrey*, taken alone or in combination, do not render obvious amended independent claims 201 and 217. The Official Notice is taken with respect to a communication method using paper and a network that is an intranet, a wireless network, and a virtual private network. However, the Official Notice fails to remedy the deficiency of either or both *Kahn et al.* and *Embrey*.

Dependent claims 208, 210, 211, 213, 224, 226, 227 and 229 include the recitations of their respective independent claims, and, therefore, Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a) with respect to these claims for the reasons given above. Applicants therefore respectfully request that the Examiner withdraw the 35 U.S.C. § 103(a) rejection with respect to claims 208, 210, 211, 213, 224, 226, 227 and 229.

**3. *Kahn et al.* in view of *Embrey* and further in view of *Fulton et al.***

Claim 267 was rejected under 35 U.S.C. § 103(a) as being unpatentable over *Kahn et al.* in view of *Embrey* and in further view of *Fulton et al.* As stated above, *Kahn et al.* and *Embrey*, taken alone or in combination, fail to obviate the claimed “method for processing payments over a network for a plurality of intermediaries,” comprising, *inter alia*, “receiving verification information from the intermediary, the intermediary being separate from the plurality of employers and the verification information including the intermediary-requested data,” and “verifying the employee information using the

verification information received from the intermediary” as recited in amended independent claim 201. *Fulton et al.*, which was cited for its alleged disclosure of receiving an error message from a financial clearinghouse if a debit is not successful, does nothing to close the gaps between *Kahn et al.* and *Embrey* and the claimed invention.

Dependent claim 267 includes the recitations of its independent claim, and, therefore, Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness under 35 U.S.C. § 103(a) with respect to claim 267. Applicants therefore respectfully request that the Examiner withdraw the 35 U.S.C. § 10(a) rejection with respect to claim 267, as amended.

## **II. Claim Rejection on the Ground of Nonstatutory Double Patenting**

The Examiner rejected claims 201, 203-217, 219-234 and 267-268 under the judicially created doctrine of obviousness-type double patenting as unpatentable over claims 1-48 of U.S. Patent No. 5,946,669 and over claims 1-70 of U.S. Patent No. 6,119,107. Applicants note the Examiner's rejections and respectfully request that that these rejections be held in abeyance until such time as the Examiner indicates allowable subject matter.

## **III. Conclusion**

The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statements are identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

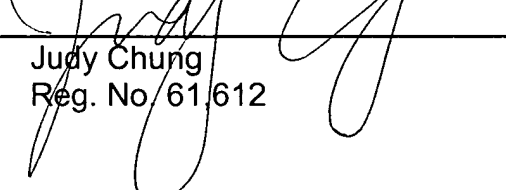
In view of the foregoing amendments and remarks, Applicant respectfully requests reconsideration and reexamination of this application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: July 10, 2008

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